MARYLAND HEALTH CARE COMMISSION

UPDATE OF ACTIVITIES

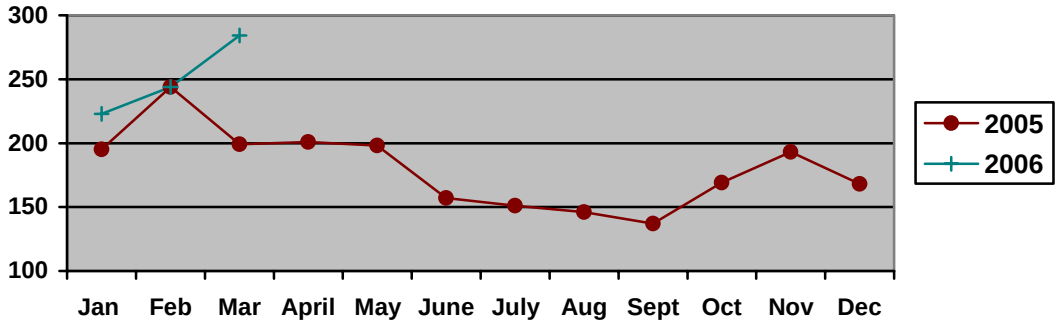
April 2006

DATA SYSTEMS AND ANALYSIS

Visits to MHCC Consumer Sites Were Up in March

MHCC had 21,000 visits to its web site in March, which was up 24 percent from the February total. On an average, per day, basis the total visits were up 13 percent (688 versus 610). There were about 8,800 visits to consumer sites which, on a daily visits basis, is 16 percent higher than in February. Consumer sites received about 284 visits per day in March – about 44 percent higher than in March 2005. Figure 1 presents results from 2005 and the first three months of 2006. The share of visits to the MHCC site that were consumer-related was 41 percent, which is similar to other months. The hospital consumer site was visited by the largest number of consumers.

Figure 1 -- Use of MHCC Consumer Sites: HMO, Hospital, Nursing Home, Assisted Living, and Ambulatory Surgery, Visits Per Day



Software Development Board of Dentistry–Web-Based Renewal Initiatives

The MHCC completed a license renewal web site for the Board of Dentistry (BOD). Quality assurance has been completed. The Board plans to allow its members to begin testing this application in May. Dentists and other dental professionals will begin renewing their licenses in June.

Internet-Based MHCC Assessment

About one-third of insurance companies, and over 60 percent of nursing homes, have completed their FY 2007 financial assessment via the MHCC on-line assessment tool. MHCC developed this site to streamline the submission of financial data.

Medical Care Data Base (MCDB) Submission

The MCDB data submission is due June 30, 2006. The MHCC has requested payers to include the date of enrollment and the date of disenrollment from the plan. The two data elements will be used to develop more accurate counts of individuals that are continuously enrolled for an entire year. This denominator will enable the MHCC to more accurately estimate spending per capita

and to develop percent of the privately insured population that receive recommended screenings for various health conditions. The data elements were optional for payers in 2005.

Long Term Care Survey
The staff is planning for a July 1st release of the 2005 Long Term Care Survey. This survey is used for nursing home bed need estimates, nursing home utilization studies, and for the MHCC Nursing Home Quality Measurement Guide. The survey is easy to complete and will be used in conjunction with federal data sources to provide data for studies that the Commission is mandated to conduct.

Cost and Quality Analysis

Spotlight on Maryland Employment in Health Care
The MHCC is preparing a spotlight (issue brief) that examines growth in private employment in health care and related industries in Maryland and compares Maryland with several neighboring states. This spotlight is part of the SHEA report series. The purpose of the spotlight is to look at factors that contribute to the growth in health care costs in Maryland. While increased employment in health care offers significant economic benefits in Maryland, the growing cost of health care could depress employment in other sectors where employers offer health insurance benefits. The key findings in the spotlight are:

- Health care and related industries account for about 13 percent of total employment in Maryland, about 1 percentage point higher than the US overall.
- Employment in health care industries increased by 7.8 percent in 2001-2004. Hospital employment increased faster at 8.6 percent.
- Health care constitutes a greater share of total employment in Maryland than in Virginia, is equal to the share in New Jersey, and is lower than the share in Pennsylvania.
- Relative to the neighboring states, Maryland has higher levels of high-level health professionals such as physicians, physician assistants, and nurses.

Characteristics of High-Cost Prescription Drug Users
The staff is preparing a spotlight (issue brief) that examines patterns of utilization among the top 25 percent of prescription drug users. The study will examine demographic characteristics of high costs, utilization patterns for high-cost users, and the mix of drugs used across therapeutic categories. The report will be presented at the May meeting.

Analysis of Screening Colonoscopies using the Medical Care Database
The Center for Cancer Surveillance and Control (CCSC) at DHMH has requested that the Division of Cost and Quality Analysis provide estimates on the total number of colonoscopies in the State of Maryland for 2004. These results will used to monitor trends in colonoscopy screening in the state. Previous analyses using the MCDB have documented the relatively rapid diffusion of colonoscopy as the preferred diagnostic tool. The number of colonoscopies reportedly performed on Maryland residents increased by 220 percent from 1999 to 2002. During this same time, the number of sigmoidoscopies in this population fell from 2 percent to 1 percent. MHCC's data also documented that annual colonoscopy rates for Medicare beneficiaries increased from 7 percent to 10 percent. The magnitude of the increase in colonoscopy rates and numbers of colonoscopies found in the MCDB was similar to increases found in population-based survey data (Maryland Cancer Survey and BRFSS). The CCSC believes the MCDB is a useful

tool for documenting trends in screening for the insured population and for comparing to other indicator surveys such as the Study of Endoscopic Capacity (SECAP).

Practitioner Utilization: 2003-2004 Trends Within the Privately Insured Population
The MHCC is required to report annually on the use of practitioner services in the State. The principal findings of the report are:

- Spending on practitioner (physician services) increased by about 4 percent. The increase was driven by an increase in the amount of services consumed per patient and by small increases in the price per service. There was a small decrease in the overall number of privately insured patients and a small unexpected decline in the intensity of services.

- Practitioner fee levels are just below Medicare for HMOs and just above Medicare for non-HMOs. Factors contributing to lower private fee levels in Maryland are an abundant supply of physicians, reasonably high managed-care penetration, and the state's location near Northeast states in which private insurers generally pay lower relative to Medicare.

- Fees vary by place of service and by the type of service provided. Physician fees are higher compared to Medicare for procedures and tests, but lower than Medicare for routine visits and for imaging. Fees are higher relative to Medicare for hospital services and lower in office settings where most routine visits occur.

- Non-participating physicians provide about 11 percent of services to non-HMO members and about 6 percent of services to HMO members. Fees for non-participating physicians are well above Medicare levels for non-HMOs and HMOs.

- The top 20 percent of patients account for approximately two-thirds of all practitioner utilization. Patients in the top 20 percent had approximately 40 times more spending than patients in the lowest quintile ($2,939 versus $72).

The report also examines patterns of cost-sharing among the privately insured. Cost sharing, which is a patient's total co-payments and deductibles as percent of total spending, was stable to up slightly in 2004. The report presents preliminary information on use of professional services by patients enrolled in consumer-directed health plans. No firm conclusions should be drawn as the products were just entering the Maryland market in 2004.

PERFORMANCE AND BENEFITS

Benefits and Analysis

Small Group Market
Comprehensive Standard Health Benefit Plan (CSHBP)
At the March meeting, the Commission approved the CSHBP regulations as final. The changes will be implemented effective July 1, 2006. Staff is in the process of completing an analysis of the carrier financial survey results for CY 2005. Staff will present these findings to the Commission at the May public meeting.

Annual Mandated Health Insurance Services Evaluation
Mercer's annual review of proposed mandates (as required under §15-1501 of the Insurance Article) has been submitted to the General Assembly and the Governor's office. At the Commission's request, a transmittal letter summarizing the key findings in the report and outlining the issues posed by each proposed mandate was mailed along with the report. This year's analysis contained a review of three proposed mandates. The report is posted on the Commission's website.

Facility Quality and Performance

Web Site Guides:
Hospital Performance
Review/Enhancement of Hospital Report Card
Staff monitored and reviewed the recommended changes to the Hospital Report Card (HRC) that were made during the Steering Committee (S/C) meeting on January 17, 2006. Delmarva Foundation staff continued to add up-dated hospital performance data to the existing Guide as well as develop and implement key navigational, informational and viewer assistance enhancements for the new Guide. Final review and sign-off of these enhancements are scheduled as part of two forums; a web-cast for available S/C members on 4/18, and a S/C meeting on 4/26/06. The public un-veiling of the "new and improved" Guide is slated for the end of June via a press conference that will be held at MHCC.

Hospital Steering Committee Reconstitution
To insure that the Hospital Report Card is both valued and useful to all Marylanders and especially to consumers, staff has been implementing a series of strategies and activities intended to better capture consumer perspectives and experiences. In addition to plans to conduct targeted focus group sessions that will provide insights and ideas for enhancing our products and services, staff continues to solicit feedback from targeted consumer audiences regarding the Hospital Report Card. Staff also plan to reconstitute the Steering Committee as we enter a new phase in the evolution of the Report Card in order to provide a more balanced perspective on it's direction and utility.

HSCRC Hospital Costs Reporting
FQ& P staff participated in two HSCRC meetings regarding (1) the public reporting of hospital cost data and (2) the development of a Pay For Performance plan and process. Both of these activities overlap with current MHCC activities regarding the public reporting of hospital performance data and information. The ultimate objectives of these two projects are consistent with MHCC's legislative mandate: to facilitate improvements in the care provided by Maryland's health care organizations as well as providing consumers in Maryland with additional and useful information from which they may be able to make better informed decisions regarding their selection and utilization of health care providers

HCAHPS Conference
Staff attended a 3 day conference sponsored by the U.S. Department of Health and Human Services (DHHS) , the Agency for Healthcare Research and Quality (AHRQ) and the Centers for Medicare and Medicaid (CMS). The conference (held in Baltimore) focused on advancements that continue to shape the delivery of health care in the U.S by re-focusing attention, attitudes, and behaviors on Patient Centered Care through the use and application of feed-back information obtained through patient surveys in hospitals, nursing homes and dialysis facilities. Maryland hospitals played a prominent role in the evolution of the HCAHPS (Hospital Consumer Assessment of Health Providers and Systems) tools and process. Maryland was one of three (3) states that participated in the national

pilot study which was conducted to test the feasibility of incorporating patient satisfaction information in the improvement of provider performance.

Special Projects

Revalidation Initiative
The schedule for focus groups was finalized with the contractor and the Managed Care Focus Group was held April 8, 2006. Agenda, questions posed to participants, and the experience with the first group will be used to tailor an agenda for the Hospital and Long Term Care focus group sessions scheduled to be conducted through the end of April.

Nursing Home Performance
Responsibility for the Nursing Home Performance activities was transferred to this division in mid-March. The following activities received attention during the month:

The workshop planned for March 13th to discuss the Pilot Family Satisfaction Nursing Home Survey for nursing facility residents was held as scheduled. There were 87 attendees representing 69 nursing facilities, representatives of local departments of aging and local health departments, the ombudsman program, the DHMH Office of Health care Quality, and a variety of other organizations representing seniors. The contractor, Market Decisions, discussed survey processes, presented results, and made suggestions for using facility results for quality improvement. All Maryland nursing homes that participated in the survey (222) were invited to attend. Individual facility reports were distributed to representatives in attendance achieving a sufficient sample size (203 facilities). Statewide results were generally positive for overall satisfaction and for the six core domains measured by the instrument. Following the workshop, staff worked with the contractor to produce a written guide for distribution to all facilities participating in the survey that described how to read, interpret, and use results. A presentation regarding the survey results is planned for the April Commission meeting.

Discussions were held with Delmarva, implementing the redesign of the Hospital web site, to incorporate similar features into the Nursing Home site. A detailed plan will be produced that defines specific enhancements to be accomplished over the next few months using funds in the current budget.

Preparations for restructuring and reconvening the Nursing Home Steering Committee are in process. The Steering Committee will have significantly more and diverse consumer and advocacy representation including AARP, the Maryland departments of Aging, Medicaid and Disability.

HMO Quality and Performance

Distribution of 2005 HMO Publications

Cumulative distribution: Publications released 10/6/05	**10/6/05—3/31/06**	
	Paper	**Web-based**
Measuring the Quality of Maryland HMOs and POS Plans: 2005 Consumer Guide (23,400 printed)	18,977	Downloads =913

2005 Comprehensive Performance Report: Commercial HMOs & Their POS Plans in Maryland (600 printed)	588	Downloads = 518

9th Annual Policy Issues Report (2005 Report Series) –

Released January 2006; distribution ends January 2007

Maryland Commercial HMOs & POS Plans: Report to Policy Makers (800 printed)	530	Downloads = 148

Distribution of Publications
As expected, the slowdown in distribution during March was not unusual. A pick-up in *Consumer Guide* requests during the second quarter of the year is expected based on historical experience. May and June are open enrollment months for most employers whose fiscal years begin on July 1st. Staff will conduct outreach activities directed at private schools and employers with spring open enrollments during April.

2006 Performance Reporting: HEDIS Audit and CAHPS Survey
HEDIS Audit Activities
HealthcareData.com (HDC), the audit contractor, submitted certification reports to MHCC showing that all HMOs involved in this year's performance reporting effort have completed the test deck process and have validated the Colorectal Cancer Screening (COL) and the Use of Appropriate Medications for People with Asthma (ASM) measures with NCQA. Input from each HMO regarding their experiences with this validation process will be requested after audit activities conclude.

Progress remains steadfast and on track. Division staff has worked with HDC staff in developing a core set of measures specific to each plan for in-depth examination by the audit team. Programming code review is underway for all plans. No issues have surfaced to date. The onsite visits for Aetna, CIGNA, Coventry, Kaiser, MIDPA, and OCI have all been conducted.

Other validation methods introduced last year have improved procedurally in the current year; however, plan factors influence the effectiveness of implementation. The method of measure calculation, the structure of the programming code process at some plans, and the structure plus size of the data warehouse at nationally-affiliated plans has resulted in additional work and challenges to obtain the qualifying events for measures selected as well as viewing original documentation. MHCC staff will ask HDC to consult with its auditors and then meet at the end of this audit period to refine and enhance the process for HEDIS 2007.

Division staff revised the Maryland Final Audit Report (FAR) template that will be used to disseminate plan-specific final data and audit specifics, such as listing assigned audit staff and background information. In addition, MHCC has requested that HDC provide a supplemental report with the FAR. This supplemental report will summarize issues related to each HMO's completion of foundational documentation and outline any deficiency that required additional correction or document submission. A draft of this supplemental report will be submitted to the

Commission for approval, prior to publication. A copy of the supplemental report will be added as an appendix to the Audit Summary Report.

PPO Quality Reporting Pilot Project
As of March 2006, Aetna, CareFirst, CIGNA, Coventry, Kaiser, and United HealthCare will participate in the PPO pilot project on some level. At least one representative from each of these organizations participated in the March 2006 conference call.

Consensus was reached on a preliminary set of measures. Further discussion on the measurement set will take place during the August meeting.

CAHPS Survey
As a check on the survey process, HMO Division staff was seeded for each of the four scheduled mailings to sampled members from each plan. To date, all four two waves of mailing have been completed. The Myers Group (TMG), the CAHPS survey contractor, has been contacted regarding non-receipt of several pieces.

Report Development
The *State Employee Guide* will be released in June along with open enrollment materials developed by the Department of Budget and Management's Division of Employee Benefits. Staff has completed further revisions to this report to include the most current information on plans' behavioral health networks. Most plans reporting in 2006 have new arrangements. The Division of Employee Benefits has been consulted regarding the state content.

HEALTH RESOURCES

Certificate of Need

On March 31, 2006, an updated Certificate of Need Review Schedule was published in the *Maryland Register*. The updated schedule is available on the Commission's website at http://mhcc.maryland.gov/new_items.htm

During March, the following Certificate of Need program activities were completed by staff:

Certificates of Need Issued
Carroll Hospital Center (Carroll County), Docket No. 05-06-2166
Expansion and renovation
$28,750,000

Western Maryland Health System Medical Center (Allegany County), Docket No. 05-01-2164
Replacement and relocation of hospital
$323,893,863

CON Modifications
Children's Outpatient Center at Montgomery County
Modification of physical plant design and authorized expenditure
$1,312,450 (modified expenditure)

Determinations of Non-Coverage
Projects Below the Capital Expenditure Threshold of $1.7 million
ManorCare Services of Largo (Prince George's County)
Construction of a one-story addition to the facility
$1,476,394

Acquisition of an Existing Health Care Facility
Interim Healthcare of Baltimore, Inc. acquisition of H.C. Watson Corporation
Type: Home health services in Baltimore City, Anne Arundel, Howard, Harford, Carroll, and Baltimore Counties

GPH Frederick LLC acquisition of Beverly Healthcare-Frederick
Type: Comprehensive care facilities
Beverly Enterprises, Inc. (BEI) has merged with Pearl Senior Care, Inc. The merged entity has retained the corporate name Beverly Enterprises, Inc., or BEI. BEI is the parent company of BE-MD. BE-MD sold the physical assets of Beverly Healthcare-Frederick to GPH Frederick LLC (subsidiary of Geary Property Holdings, LLC) subject to a Master Lease with BEI Leaseback Holdings LLC (wholly owned subsidiary of BEI). BE-MD remains the operator of the facility.

Temporary Delicensure of Bed Capacity or a Health Care Facility
Pickersgill Retirement Community (Baltimore County)
Temporary delicensure of 17 comprehensive care facility ("CCF") beds

Relicensure of Bed Capacity
Loch Raven Center (Baltimore County)
Relicense 4 of 8 temporarily delicensed CCF beds

Northwest Health and Rehabilitation Center (Baltimore City)
Relicense 4 temporarily delicensed CCF beds

Forestville Health and Rehabilitation Center (Prince George's County)
Relicense 4 of 8 temporarily delicensed CCF beds

Waiver Beds
ManorCare Services of Largo (Prince George's County)
Addition of 10 waiver beds

In addition, two letters of intent filed earlier with the Commission were withdrawn during March:

Montgomery General Hospital (Montgomery County)
Expansion and renovation

Washington Adventist Hospital (Montgomery County)
Replacement and relocation

Long Term Care Services

The Commission collects data on an annual basis from all hospice providers in Maryland. The 2005 Maryland Hospice Survey became available for online data entry on March 15, 2006. All Maryland hospice programs were notified of the beginning of the survey process by

memorandum on March 9, 2006. Initial data is due 60 days after receipt of notice that the survey is online. The financial data is due after the Medicare cost report is completed or no later than June 15, 2006. Staff will continue to monitor survey completion along with Perforum, the Commission's contractor on this survey.

In updating the Long Term Care Services Chapter of the State Health Plan (COMAR 10.24.08), Staff seeks input from providers, payors, researchers, and others expertise in the long term care area. As part of the plan update scheduled for 2006, Staff of the Long Term Care division has formed work groups on home health agency, nursing home, and hospice services.

The first meeting of the Home Health Agency Work Group was held on March 22, 2006. The charge of this work group is to assist Commission staff in analyzing utilization trends, identifying contributing factors to the changes in utilization of home health agency services, forecasting future home health agency need in Maryland, and identifying issues for policy development.

The focus of the first meeting was a review of Maryland-specific home health agency utilization trend data, with that of other states and the nation. Each of the five presentations made by various Work Group members provided a unique perspective on the various factors contributing to changes in HHA utilization. The work group discussed varying factors impacting HHA utilization and summarized related issues driving current and future utilization. The focus of the next HHA Work Group meeting, scheduled for April 27, 2006, will be a discussion on the underlying assumptions when forecasting need for HHA services in Maryland.

The first meeting of the Nursing Home Work Group was held on March 28, 2006. The charge of this work group is to assist Commission staff in analyzing utilization trends, identifying policy and regulatory issues, and discussing the impact of utilization trends on the future need for nursing home beds in Maryland.

The March 28, 2006 meeting included a presentation by Dr. Judith Kasper from Johns Hopkins University. Her presentation focused on two questions: Who are Current Users of Nursing Homes? What are the Key Factors in Predicting Future Nursing Home Utilization? Staff reviewed comments received on their report entitled: *An Analysis of Future Need for Nursing Home Beds in Maryland: 2010*. Staff also presented trend data on population, nursing home use rates, occupancy, migration patterns and the impact of home and community-based services. The next meeting is scheduled for April 28, 2006.

The first meeting of the Hospice Work Group is scheduled for April 17, 2006. The focus of this meeting will be a comparison of Maryland-specific hospice program utilization trend data with that of the U.S. The meeting included four presentations. Maryland Hospice Survey data was presented by Commission staff on*: Characteristics of and Trends in Hospice Utilization in Maryland*. A second presentation on the Medicare Hospice Benefit was given by Terri Deutsch, a Senior Policy Analyst from CMS. Mark Blowe of the Maryland MCPA presented information on Hospice Utilization by Medicaid Patients in Maryland Nursing Homes. A final presentation on recent research on Palliative Care issues was given by both Carla Alexander, M.D. from the University of Maryland and Sidney Morss Dy, M.D. from the Johns Hopkins Bloomberg School of Public Health.

On March 23, 2006, Staff of the Long Term Care division met with Carol Benner of Delmarva. Ms. Benner presented data on new and innovative models for delivery of long term care in nursing homes. Staff of the Long Term Care division attended a conference at George

Washington University on April 5, 2006 entitled: *Upending the Triangle: Making Home the Center of Seniors' Care*. The conference was sponsored by the Wertlieb Educational Institute for Long Term Care Management and the American Academy of Home Care Physicians. Several presentations related to the concept of physicians making house calls and providing patient-centered care in the home. Presenters included physicians from Home Care Groups in Washington, D.C. and San Diego as well as Elder Care models from Philadelphia and the Veterans' Administration.

Specialized Health Care Services

The State Health Plan for Cardiac Surgery and Percutaneous Coronary Intervention (PCI) Services (COMAR 10.24.17) requires that hospitals providing elective PCI services have cardiac surgical services on-site. This chapter of the State Health Plan also includes provisions for the Commission to consider a request for a waiver from its policies for a well-designed, peer-reviewed research proposal. On January 29, 2005, Thomas Aversano, M.D., and colleagues sent to the Commission a proposal to study elective PCI at hospitals without on-site cardiac surgery. As required by Policy 5.3.2 of COMAR 10.24.17, the Commission appointed a Research Proposal Review Committee to provide advice to the Commission on research proposals that require a waiver under the State Health Plan. On August 16, 2005, Thomas J. Ryan, M.D., Chairman of the Research Proposal Review Committee transmitted the committee's final report to Rex W. Cowdry, M.D., Executive Director. COMAR 10.24.17.05D(2)(b) requires the Commission's Executive Director to consider the advice of the Research Proposal Review Committee in preparing a recommendation to the Commission to issue or deny issuance of a waiver. On August 30th, Dr. Aversano and colleagues requested that their proposal be withdrawn from consideration by the Commission. At that time, the investigators also notified the Commission of their intention to submit a new proposal. On March 29, 2006, Dr. Aversano and colleagues resubmitted the C-PORT non-primary angioplasty project (also referred to as the elective angioplasty project), noting that the proposal had undergone extensive revision based on comments by the Commission's Research Proposal Review Committee and others. The proposed project is a randomized comparison of outcomes after PCI performed at hospitals with and without cardiac surgery on-site (SOS). The study tests the hypothesis that outcomes of non-primary PCI performed at hospitals without SOS are not inferior to outcomes of PCI performed at hospitals with SOS. In the study, only patients with ST-segment elevation myocardial infarction (STEMI) are excluded from randomization. Sites have been approved in the following states: Georgia, New Jersey, Ohio, Illinois, Pennsylvania, Alabama, North Carolina, and Texas. Dr. Aversano stated that hospitals in other states are currently also considering participation in the study.

HEALTH INFORMATION TECHNOLOGY

Health Information Technology

The March meeting of the Task Force to Study Electronic Health Records (Task Force) was held in Annapolis to accommodate the schedule of its legislative members. A recommendation to organize members into three workgroups was agreed upon by the Task Force. The workgroups include Infrastructure Management & Policy Development, Electronic Patient Information & Policy Development, and Computerized Prescribing & Policy Development. Task Force members were asked to designate a workgroup based upon their interest in the subject matter. The Chair and Vice Chair developed a statement of work for the workgroups. A telephone

conference call is scheduled with each workgroup to review the statement of work in advance of the next Task Force meeting.

A Health Information Technology Steering Committee (Steering Committee) was formed to act as an advisory group to staff on health information technology initiatives. The Steering Committee consists of 27 members with more than half participating on the Task Force. The Steering Committee's first meeting is scheduled in April. The Steering Committee is expected to oversee the work of the envisioned RTI Health Information Security and Privacy Collaboration subcontract (HISPC). RTI is funding up to 40 state projects to assess how privacy and security laws and business practices affect exchange of interoperable electronic health information. The Steering Committee will also provide guidance during the planning and implementation of a statewide health information exchange (exchange).

MHCC and HSCRC staff met with Bruce Martin, Assistant Attorney General for the Department of Budget and Management, to discuss procurement options for the planning and implementation of an exchange using the rate setting system to fund the initiative. MHCC and the HSCRC originally proposed a two-stage planning and implementation Request for Proposal (RFP) under the State's procurement process. Mr. Martin recommended that MHCC and the HSCRC consider implementing policy changes to bring about the planning and implementation of the exchange. Mr. Martin agreed with staff that the promulgation of regulations to address fund disbursement for HIT initiatives through rates might well be the preferred method, taking into account the inherent protections offered by the regulatory process. MHCC and HSCRC staff plan to develop proposed regulations in April.

EDI Services

Last month staff continued to meet with stakeholder groups to address provider awareness issues surrounding the implementation of HIPAA's National Provider Identifier (NPI). Providers have expressed some concern regarding NPI implementation. The enumeration process and the requirements for obtaining an NPI for sub-parts of a provider organization remain unclear to most providers. Claim adjudication systems generally use legacy provider identifiers to determine reimbursement levels. The NPI is the only provider identifier permitted in electronic transaction beginning May 23, 2007. Staff is working with medical and non-medical health care associations to develop programs aimed at increasing provider awareness of the NPI requirements.

The *2005 Dental EDI Review*, reflecting 2004 dental payer health care transaction data will be released in late April. Over the last month, staff has been working with United Concordia to reconcile 2004 transaction volumes and increase its understanding of EDI share variations from the prior year. The dental EDI review is used by the Maryland State Dental Association and the Maryland Academy of General Dentistry to promote EDI growth among its members.

Electronic Health Network Services

Last month Surescripts, an e-prescribing electronic health network (network), completed their candidacy requirements for MHCC EHN certification. Surescripts is the first e-prescribing network to seek MHCC certification. NaviMedix, a Massachusetts-based network, expects to finalize its application for candidacy status in early April. Over the last month staff has been providing consultative support to Ancillary Care Management (ACM) and Professional Management Group (PMG) in their evaluation efforts of the Maryland market. To date, MHCC has certified 18 networks and has approved 8 additional networks for candidacy status.

The Electronic Health Network Accreditation Commission (EHNAC) adopted changes to its small network accreditation program at their March Commission meeting. Staff is currently

reevaluating its proposed draft modifications to COMAR 10.25.07, *Electronic Health Network Certification*, to determine if any modifications are required as a result of these changes. Staff plans to discuss EHNAC's program modifications with several small networks in Maryland.

Trauma Fund

The trauma physician roster used to validate trauma physicians that submit an application to the Maryland Trauma Physician Services Fund (Fund) has been updated. Approximately 60 physicians have been added to the trauma roster for the January 2006 reporting period, for a total of about 940 physicians that can participate in the Fund. Staff has begun the verification process of approximately 43 uncompensated care applications submitted during the January 2006 reporting period to validate eligibility using the Trauma Registry. Staff anticipates completing the patient validation process in April.

Staff is analyzing trends in uncompensated care payments over the last five reporting periods. This analysis will provide staff with an understanding of the uncompensated care payment trending cycle, as well as billing procedure frequency information. Information garnered during this analysis will be used for planning, auditing, and physician awareness outreach programs.

Clifton Gunderson, LLP, the Trauma Fund auditor, identified for review 11 physician practices that received payment for uncompensated care services for the July 1, 2004 through December 31, 2004 reporting period. The auditor completed the reviews for six physician practices and found that no adjustments were required for these practices during this reporting period. The auditor expects to complete the remaining five reviews by mid-April.

Survey Collection

Last month staff sent written notification to 314 ambulatory surgery centers (centers) notifying them of the annual survey reporting requirements. Centers have 45 days from the date a center signs for the certified letter to complete their online survey. The Ambulatory Surgery Survey collects information on the center's setting and size, medical specialties, and utilization. Staff will provide the centers with user support during the survey reporting period. Staff monitors the overall progress in completing the survey and contacts those centers who are slow in completing their survey.